Research Synopsis

Intellectual Capital and Brand Citizenship Behaviour as Determinants of Organizational Effectiveness

Submitted for Review at JK Lakshmipat University

Submitted by:

Tannu Verma

(PhD Scholar JKLU)

Under the Guidance of

Dr. Santosh Dhar

Area of Research

This research belongs to the domain of Strategic Human resource management. CIPD, UK (Chartered Institute of Personnel and Development) which is the world's largest Chartered HR development professional body defines strategic Human Resource management as an approach to the management of human resources that provides a strategic framework to support long-term business goals and outcomes. The approach is concerned with longer-term people issues and macro-concerns about structure, quality, culture, values, commitment and matching resources to future need. Storey (2001) defines strategic HRM as - A distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce using an array of cultural, structural and personnel techniques.

Topic of Research

Intellectual Capital and Brand Citizenship Behaviour as Determinants of Organizational Effectiveness

Introduction of the Concept

Intellectual capital

Originally, researchers conceptualized intellectual capital simply as the intellectual property embodied in patents or licenses (Grindley and Teece 1997) or were confused with either knowledge or knowledge management. Hence converting that knowledge into something that has value is what we have come to know as intellectual Capital. It is a value concept, and properly managed, a dynamic growth tool for any company. There are three types of Intellectual Capital-Human capital, Relational Capital and Structure Capital. Human capital embraces all skills and capabilities of people who work in the organization. It is seen as an inventory of the skills sets, knowledge and capabilities of individuals in the organization.

Relational Capital is an organizations connection to its customers, clients and external associates who create value through loyalty, improved markets, brand perceptions, strong integrations and quality. Relational capital can be translated into measures of repeat customers whose loyalty generate repeat sales and reduce the cost of prospecting for new customers. Likewise cultivating good and dedicated suppliers can enhance operational capabilities to match the market goals. Structure Capital is the backbone of the firm itself, its organizational tones and capabilities, including its management planning and control systems, processes, networks, policies and even its culture. So, understanding the internal systems, network and culture are valuable assets focusing on ensuring that all the assets employed could add and appreciate value rather than to decline or stagnate through inappropriate systems and unhealthy strategic efforts. Hence, value creation results from the interaction of all these components of IC.

Brand Citizenship Behaviour

Consistent with the provision of exceptional service, investment in the organization's brand is considered to be a strategic weapon in the quest for an edge over competitors (Kim, Kim, and An, 2003). In doing so, a bundle of benefits are promoted to consumers with an implied promise that the organization will deliver. Therefore, just as it is the responsibility of the employee to deliver the appropriate service, it is also the responsibility of the employee to ensure that the brand promise is delivered in the manner intended. This means that employees must understand the organization's brand and what it means to them in relation to their roles and responsibilities. As such, internal brand management has taken on increased prominence, given the pivotal role that employees play in the deliverance of the brand. In consideration that central to service brand management is the employee, the brand equity also needs to get employee based. Since, customer based brand equity (CBBE), represents the consumer perspective of brand equity and can be defined as 'the differential effect that brand

knowledge has on consumer response to the marketing of that brand' (Keller, 1998), same way Employee Based Brand Equity (EBBE), can be defined as the differential effect that brand knowledge has on an employee's response to their work environment, and further requires the translation of the brand identity in a way that is meaningful to the employee in the context of their roles and responsibilities In the context of this, the benefits that are coveted by organizations that adopt internal brand management practices, lie in the attitudinal and subsequent behavioural intentions exhibited by employees. This is because behavioural intentions are considered indicators that signal the likelihood of a positive relationship with the organization continuing (Zeithaml et al., 1996). It is from this perspective that employees' exhibiting brand citizenship behavior (BCB) is considered to be the first construct that contributes to organizational benefits derived from EBBE. To conceptualize, Brand Citizenship Behaviour can be referred as extension of Organization Citizenship Behaviour. Based on Podsakoff et al. (2000), seven dimensions of brand citizenship behavior proposed by Burmann et al. (2005) include helping behaviour, brand consideration, brand enthusiasm, brand sportsmanship, brand endorsement, brand self-development, and brand advancement. Helping behavior represents that employees have positive attitudes, friendliness, helpfulness, and empathy toward internal and external customers, thus taking responsibility for organizational tasks. Brand consideration is regarded as brand-centered guidelines that employees follow insistently. Brand enthusiasm refers to extra initiatives showed by employees while participating in brand-related activities. Brand sportsmanship is regarded as a mental state of employees who never complain about inconvenience caused by brand-centered activities. Brand endorsement represents that employees are willing to defend and endorse the brand value and pass on the brand identity to newcomers. Brand self-development is regarded as the willingness of employees to improve their brand-centered knowledge, skills, and abilities voluntarily. Brand advancement indicates customer feedbacks

or innovative ideas are adopted by employees to provide suggestion contributing to changing new market needs or new organizational competencies.

Organizational Effectiveness

The concept of effectiveness is filled with obstacles regarding assessment namely criteria problems, criteria choices, and unique attributes of organizations involved (Verma and Jain 1999). This probably led Campbell to remark-"Since an organization can be effective or ineffective on a number of different facets that may be relatively independent of each other, organizational effectiveness has no universal definition"(Campbell, 1977). References to organizational goals and effectiveness in the literature typically focus on either extremely general concepts (Dent, 1959), (Shubik, 1961) or extremely specific measures (Stogdill, 1965). The concept of organizational survival typifies one extreme, and unique measures of organizational operations typify the other extreme. Neither approach provides measures useful in comparing the current effectiveness of different operating organizations. Mid-range criteria, on the other hand, would provide a basis for comparative assessment of on-going organizations. Managers in business and industry make frequent judgments about the relative effectiveness of subordinate organizations despite the lack of consensus among writers discussing organizational effectiveness. Judgments of effectiveness are made, explicitly or implicitly, whenever budgets are formulated, projects and tasks are assigned, and whenever organizational shifts of resources are considered. Hence this is a bottom line variable which ultimately defines the sustainability of any organization, which could consist of variant components fitting the contemporary business market or economy at large.

Literature Review

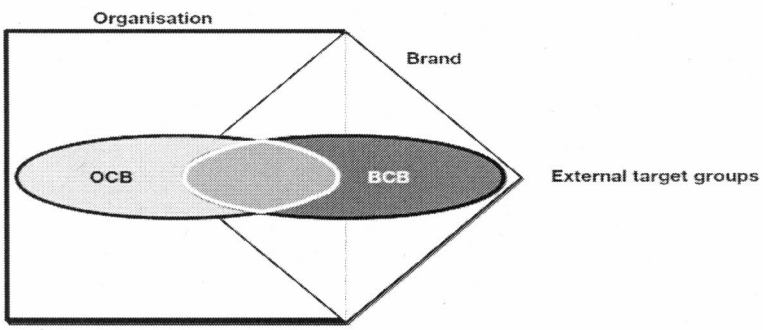
Brand Citizenship behaviour

For a brand to become strong, its advertising needs to be more than appealing. Alike a person, a brand should also be credible so that it can be trusted. Thus strong brands are built through identity-based brand management (Aaker, 1996). In contrast to the typical outside-in perspective of the image-management approach, the identity-based approach considers an inside-out perspective as more relevant (de Chernatony, 1999). Kapferer states, for example, 'In terms of brand management, identity precedes image' (Kapferer, 2004). While brand image is on the receiver's side —it describes how is brand perceived by external target groups— brand identity is on the sender's side. It can be defined as those sustainable cross-spatiotemporal attributes that determine the essence and character of a brand from the internal perspective (Meffert & Burmann, 2004). While Kapferer (2007) suggests the dimensions physique, personality, culture, self-image, reflection and relationship in his brand identity prism, Aaker (1996) proposes the four aspects of a brand as product, organisation, person and symbol, de Chernatony (1999) argues for the six components like brand vision, culture, positioning, personality, relationship and presentation, and Burmann et al.(2003) proposes six dimensions i.e. organisational capabilities, brand heritage, personality, brand values, vision and performance. Irrespective of the different categorisations and labels, what they all share is the inclusion of organisational values, capabilities and behaviour as an important part of the brand identity.

Customer brand experience is driven by all customer–brand touch points, and many of these are determined by employees — not only those in the marketing department, but all employees who contribute directly or indirectly to the brand's products, services and formal or informal communications. For this reason all employees need to get familiar with the brand identity concept and be committed to live the brand internally and externally. Else, employees might easily undermine the advertising-driven expectations with their words and

actions. To achieve a strong brand identity the external, market-oriented brand management needs to be complemented by an institutionalised internal brand management.

In the pursuit of finding out what exactly is to be expected from employees if one asks them to 'live the brand', in their research review, the authors came across the construct of organisational citizenship behaviour — a construct that has received much attention in organisational behaviour research. Also known as prosocial behaviour, organisational citizenship behaviour refers to individual voluntary behaviours outside of role expectations (non-enforceable functional extra-role behaviours) that are not directly or explicitly acknowledged by the formal reward system, and which, in aggregate, enhances the performance of the organisation (Organ, 1988 & Podsakoff et. al. 2000). From what the authors learned in the interviews, it is a very similar type of functional extra-role behaviour in favour of the brand that really brings a brand to life, so this concept has been adopted and modified to fit the context of internal branding, and the construct brand citizenship behaviour has been coined. Brand citizenship behaviour is not only that part of organisational citizenship behaviour that is brand-oriented, but also goes beyond the scope of organisational citizenship behaviour as it also includes externally targeted behaviours, while organisational citizenship behaviour is generally considered to be intra organisational. For a visualisation of the relationship between the two constructs, see Figure 1.



OCB, organisational behaviour; BCB, Brand citizenship behaviour

Figure 1: Relationship between the constructs of organisational citizenship behaviour and brand citizenship behaviour

Brand citizenship behaviour is an aggregate construct which describes those generic employee behaviours that enhance the brand identity. These generic behaviours can be categorised into dimensions, just as has been done in organisational citizenship behaviour research. For organisational citizenship behaviour, Podsakoff *et al.*(2000) have identified seven commonly acknowledged dimensions in a literature review: (1) helping behaviour: voluntarily helping others with, or preventing the occurrence of, work related problems, (2) organisational compliance: meticulous adherence to the organisation's rules, regulations and procedures, even when no one observes or monitors it, (3) individual initiative: engagement in task related behaviour at a level that is so far beyond minimally required or generally expected levels that it reaches a voluntary stage, (4) sportsmanship: willingness to tolerate the inevitable inconvenience and impositions of work without complaining, (5) organisational loyalty: promoting the organisation to outsiders, (6) self-development: voluntary improvement of knowledge, skills and abilities and (7) civic virtue: macro-level interest in the organisation as a whole and active participation in its governance, in monitoring its environment and in looking for its best interests. While for organisational citizenship behaviour the first dimension is internally directed i.e. helping colleagues, for brand citizenship behaviour it should also be directed at customers — thus the focus is wider. For the other six dimensions, the focus of brand citizenship behaviour is narrower — these dimensions are concentrated on the brand instead of the whole organisation. For better understanding, some of the dimensions were renamed, and the following list of seven dimensions of brand citizenship behaviour compiled (Burmann & Zeplin, 2004):

1. Helping behaviour: positive attitude, friendliness, helpfulness and empathy towards internal and external customers, taking responsibility for tasks outside of one's own area if necessary, for example, following upon complaints.

2. Brand consideration: adherence to brand-related behaviour guidelines and reflection of brand impact before communicating or taking action in any situation.

3. Brand enthusiasm: showing extra initiative while engaging in brand related behaviours.

4. Sportsmanship: no complaining, even if engagement for the brand causes inconvenience; willingness to engage for the brand even at high opportunity costs.

5. Brand endorsement: recommendation of the brand to others also in non-job-related situations, for example, to friends; passing on the brand identity to newcomers in the organisation.

6. Self-development: willingness to continuously enhance brand-related skills.

7. Brand advancement: contribution to the adaptation of the brand identity concept to changing market needs or new organisational competencies, for example, through passing on customer feedback or generating innovative ideas.

Constructs	Dimensions	Sources
Organizational citizenship behavior	Three dimensions include courtesy, sportsmanship, and civic virtue.	Organ (1988)
Organizational citizenship behavior	Seven dimensions include helping behavior, sportsmanship, organizational loyalty, organizational compliance, individual initiative, civic virtue, and self development.	Podsakoff et al. (2000)
Brand citizenship behavior	Seven dimensions include helping behavior, brand consideration, brand enthusiasm, brand sportsmanship, brand endorsement, brand self-development, and brand advancement.	Burmann et al. (2005)

Figure 2: Similarity in the constructs of OCB and BCB

In this process brand commitment was interpreted as the latent variable behind the seven typical behaviours that are summarised for brand citizenship behaviour by Burmann and Zeplin (2005).

Intellectual Capital

The concept of Intellectual Capital first evolved in Japan when Hiroyuki Itarni studied the effect of invisible assets on the management of Japanese corporations and the term "intellectual capital" was first published by John Kenneth Galbraith in 1969 (Feiwal, 1975). He believed that intellectual capital meant more than just "intellect as pure intellect" but rather incorporated a degree of "intellectual action".

The term intellectual capital includes inventions, ideas, general knowledge, design approaches, computer programs and publications. Simchon (2005) defined IC as non-tangible or non-physical assets and resources of a firm, its practices, patents and the aggregate knowledge present with its members and their network of partners and contracts. In order to make conceptual separation and the concept more understandable, Dean and Krestschmer (2007) made evident as how each aspect related to IC distributes and accumulates information and knowledge differently through its various channels like organizational processes and structures, IT systems, individuals & networks and organizational technological knowledge. This particular view leads to explaining the concept through its credibility view or its usefulness of the same in an organization. Thomas Stewart, an ex editor of business magazine "Fortune" describes IC as "something that cannot be touched, although it slowly makes you rich". Then Jacob Ben- Stewart (1997) defines it as 'packaged useful knowledge' and Sullivan (2000) as 'knowledge that can be converted into profit'. To add, Roos et al defined IC (1997) as the 'sum of knowledge' embedded in brands trademarks and processes.

Finally, comprehensive models of IC were proposed which suggested the IC components and its benefits to the organization. One of such was proposed by Saint- Onge, H. (1996) that divides the concept of intellectual capital into three facets: Human capital, Structural capital

and Customer capital. A slight alternative of this model was developed by Dr. Nick Bontis who re-defines customer capital as relational capital that included knowledge entrenched in relationships with supplier base also. Human capital is described as human resource inside the organization. It is recognized as competency, collective knowledge, skills, experience, talents, innovative ability & capacity, individual values & attitudes, aptitudes & know-how of the people within an organization (Subramaniam and Youndt, 2005). Structural capital is the scaffolding infrastructure for human capital, which remains with the organization when the employees leave at the end of the day. Unlike human capital, it is the property of a company and can be reproduced, traded and shared by and within, the organization. Relational capital is a company's long term relationship with its customers and with its suppliers, strategic partners and shareholder networks and value of these assets is determined by the company's reputation or image.

Roos et al. (1997) defined IC as 'all the processes and the assets which are not normally shown on the balance sheet for example, trademarks, patents and brands. Human Capital is referred to the firm's individual skills, abilities, knowledge and know-how. The authors divide human capital into three components: competence, attitude and intellectual agility.

Sveiby (2001) uses the terms Individual Competence, Internal Structures and External Structures when referring to virtually the same concepts defined as Human Capital, Structural Capital and Relational/Customer Capital respectively

Another popular model for classifying intellectual capital (IC) was put forward by Malone and Edvinsson (1997) who defined IC as the possession of knowledge, applied experience, organizational technology, customer relations and professional skills that provide a company with a competitive edge in the market. As proposed by Edvinsson and Malone (1997),

intellectual capital is a two-level construct: human capital, and structural capital. Then, structural capital is divided into organizational capital and customer capital. However, customer capital can be viewed as a key element of "relational capital" (Bontis, 1998). In this model, human capital and structural capital is the same as that of Saint- Onge model. While the organizational capital relates to knowledge created by and stored in a firm's information technology systems & processes, the customer capital is the value of relationships between a firm and its customers.

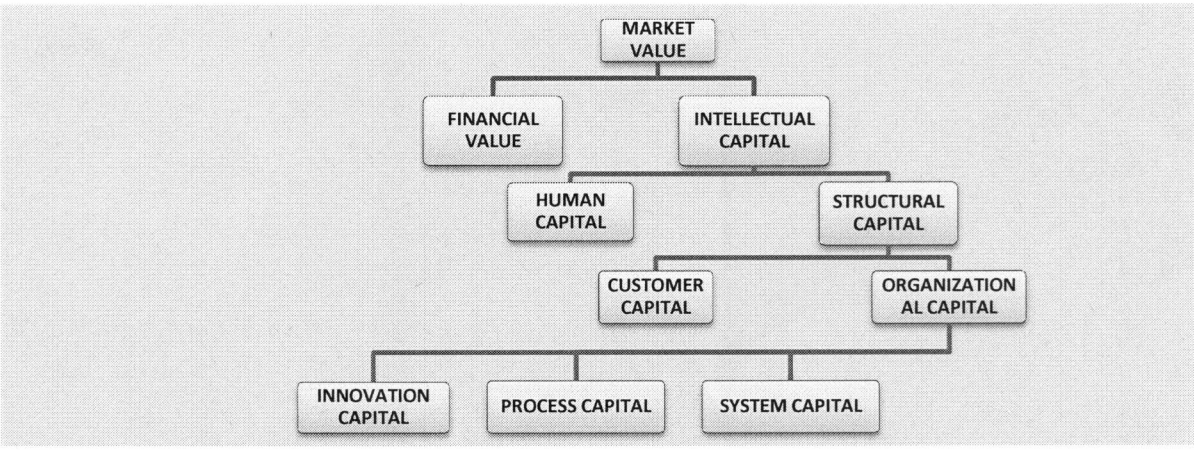


Figure 3: Edvension Model of IC

Another perspective is of Danish Confederation of Trade units which speaks of three major components of measuring intellectual capital; being People, System and the Market. The components of each are described in the figure below.

The people: - includes the total ambience the employees face and the various factors that affect them. These comprise of extent of motivation in terms of formal policies or informal practices, the culture, the education and training imparted to them and the initiatives taken towards their holistic development.

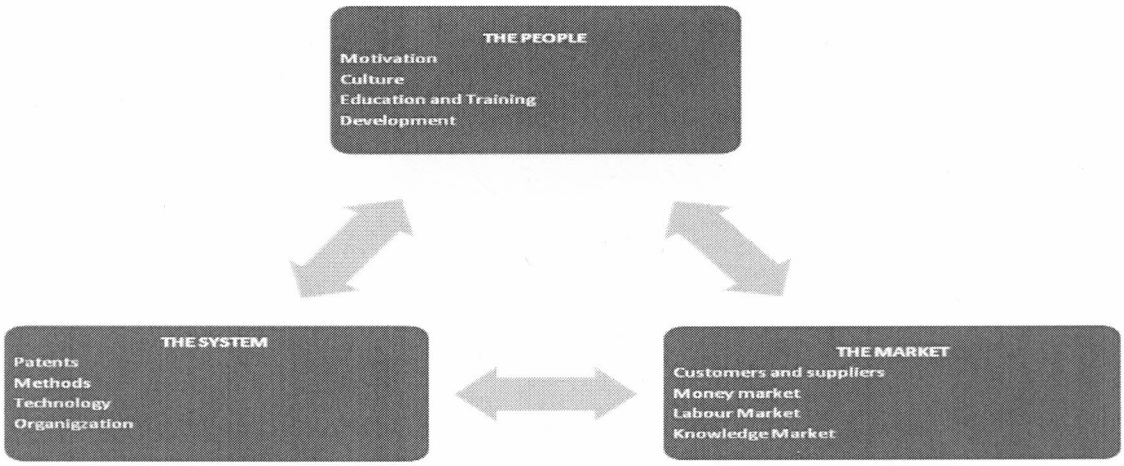
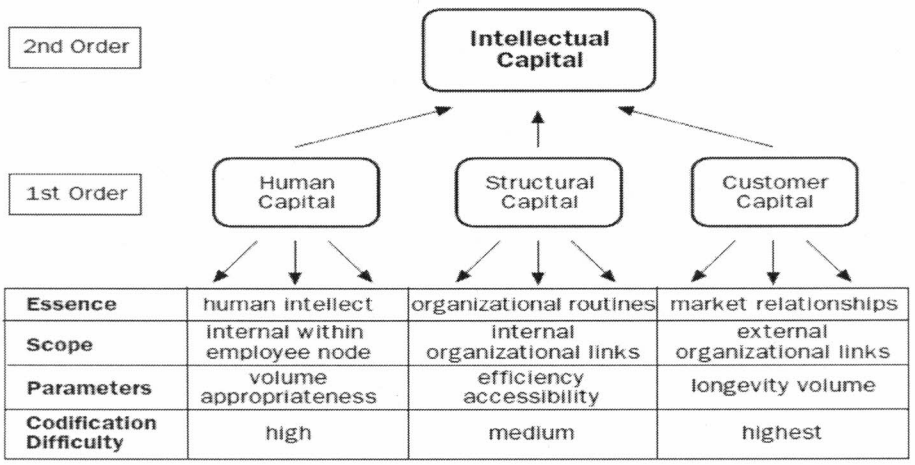


Figure 4: DCTU perspective of Intellectual capital

The system: - it is the knowledge available in the company in various forms.

The market: - It consists of relations between the companies with its outsiders.

International Federation of Accountants (IFAC) offers a slightly different classification of intellectual capital which divides structure capital into intellectual property and Infrastructure assets while customer capital is referred as market capital.



Essence	human intellect	organizational routines	market relationships
Scope	internal within employee node	internal organizational links	external organizational links
Parameters	volume appropriateness	efficiency accessibility	longevity volume
Codification Difficulty	high	medium	highest

Figure 5: Conceptualization of Intellectual capital

Human Capital	**Market Capital**
• know-how • education • vocational qualifications • experience • job valuation • skills • innovation, flexibility	• customers • customer loyalty • entity reputation • distribution channels • business collaboration • licensing contracts • franchise agreements
Structure Capital	
Intellectual property	*Infrastructure assets*
• patents • copyrights • trademarks	• management philosophy • organisational culture • information Systems • financial relationships

Table 1: IFAC model of IC

Conceptualization of IC components

Human capital

Human capital has been known as a resource which could not be replaced by the equipments and machines of an organization. It includes knowledge; preferred ability, motivation and

management of an organization (Po-Yang et al., 2006). In fact, human capital is the main part of intellectual capital and one of the most important resources related to the industries such as software development, management consultation and financial services. For example, Mekinsey believes that the main resource of his company will be human capital composed of the talented, opportunist and clever staff (Ahmed seleim et al., 2006). Human resource is a factor which causes the strategic innovation of the organization and includes all characteristics of human resources such as training, knowledge and capabilities relative to the work of the staffs (Bozzolan et al., 2003). People, organizations and different societies believe that organizations require a high degree of skills and experiences. The knowledge achieved by training is used to produce products or services. Today, it is clear that there is a relationship between the elements of intellectual capital and economic development. Although the economic value of intellectual capital could not be ignored, the researchers are worried about the kind and the degree of human resources in order to make a comparative advantage in organizations and companies (Po-Yang et al., 2006; Ahmed seleim et al., 2006).

Relational Capital

Relational capital is referred to the relation with the clients and the value of relationship between suppliers, shareholders and clients (Huu and Fang, 2008; Carrell, 2010). Recognition of market channels, the relationship between supplier and client and the correct conception of the influence of the relationship with the governmental and industrial institutions are regarded as the main issues of a firm's relational capital (Bontis, 1991; Bozzolan et al., 2003). Relational capital presents the intangible assets of a firm and it could not be easily developed because it differs with the main core of the organization (Bontis, 1991). Some other researchers concluded that firms' ability of innovation is based on the relationship between the staffs, groups and the organizations. The organizational basics include the rules by which all activities of an organization are coordinated and the needed information is collected. In

order to develop their relationships, organizations and industries relay on the ability of data gathering. In these firms, the effective relationship between the shareholders is mentioned as a basic issue. The relational channels will be regarded as the main resources to develop the organization (Bontis, 1991). At all, the client capital which relates the elements of intellectual capital to each other is regarded as a main factor related to the change of intellectual capital, organizational evaluation and improvement of organizational performance (Po-Yang et al., 2006; Chen et al., 2004).

Structural Capital

Structural capital is referred to the shared-knowledge of a company. In fact, the structural capital of a company includes its way of activity, systems, culture and so on. From the legal perspective, some of these factors may belong to a special firm or organization (Chamined et al., 2003). In this regard, Savrio et al believe that internal capital or structural capital of a company includes intellectual capital and infrastructural capital from which the first one is related to the legal aspect of a company, and the second one refers to the intellectual capital created in the company. It also may be achieved from the outside of the company. The culture of a company, the management processes, information system and network systems are regarded as the intellectual capitals of a company (Bozzollan et al., 2003). Suitable technology is mentioned as a basis for creating relational, human and structural capitals in organizations (Nazary et al., 2010). Structural capital is related to the organizational mechanisms and structures by which the employees could achieve the intellectual capital. Therefore, the value of structural capital is more than the value of business (Bontis, 1991; Roos and Roos, 1997; Nonaka et al., 1995). The organization which uses weak systems and procedures to employ its staffs could not achieve its main potential. On the other hand, an organization which has a powerful structure could help its staffs to achieve their goals using supportive culture (Bontis, 1991).

Organizational Effectiveness

Researchers began to perceive that there could be some theoretical justification to examine the consequences of varying arrangements (Scott, 1987) and there came the realisation of a complex concept of OE which has initially been central to the investigation of organisational structures, processes and outcomes (Cameron & Whetton, 1981). Finally the concept of OE was raised when contingency theorists argued that some types of organisational structure were more suitable than others to certain alternate tasks or environments (Scott, 1987). There have been many attempts to define and measure the effectiveness of organizations, eventually proposing different models on Organization effectiveness.

Survey of Organization was a diagnostic instrument designed to measure "certain critical dimensions of organizational climate, managerial leadership, peer behaviour, group processes, and satisfaction" (Taylor and Bowers 1972). In SOO terms, an effective organization trains and motivates its managers to concentrate on (1) building open, participative work groups and (2) working with these groups to maximize productivity. In practice, the Survey has been used as a diagnostic tool to facilitate organizations self-evaluation and adaptation (Revans 1972.)

Steers (1975) reviewed 17 organizational effectiveness studies, and summarized the 14 evaluative criteria mentioned in two or more cases. Of these, 'adaptability/flexibility' was mentioned in over half of the studies reviewed, and 'productivity' and 'job satisfaction' in about a third. Building on a resource acquisition perspective (Yuchtman and Seashore 1967), Steers outlined a process model for analyzing effectiveness, containing three components: optimization of goals, a system perspective, and a behavioural emphasis. This approach integrates four major influences in and on the organization: environmental characteristics, employee characteristics, organizational characteristics, and managerial policies and

practices, each of which must be consonant with the other three to achieve effectiveness. Thus, an organization exhibiting a high degree of "fit," or "congruence" among its components is expected to be a relatively more effective organization (Nadler and Tushman 1980). Steers concluded that organizational effectiveness is best understood as a continuous process rather than an end-state, and that this process is of a contingent nature.

An effort to explore such a contingent process from a human resources perspective is found in Lorsch and Morse (1974), with their focus on the relationships between internal characteristics of functional organizational subunits and the nature of the work in which they are engaged. An effective organization was felt to be one with a high degree of congruence between its internal environment and its external environment.

Campbell (1977) reviewed the organizational effectiveness literature, suggesting "how criterion measures of organizational effectiveness should be developed so that they can be used to compare organizations, evaluate the effects of organizational development efforts, and determine what characteristics of organizations are significantly associated with organizational effectiveness as a basic construct". Hence Campbell proposed Campbell's List of Effectiveness Criteria; in which he mentioned the following:

overall effectiveness	flexibility/adaptation	evaluations by external	productivity	planning goal setting
efficiency	goal consensus	entities	profit	internalization
quality	role and norm congruence	participation and shared	accidents	organizational goals
growth	managerial task skills	influence	absenteeism	managerial
turnover	information mgmt	achievement	job satisfaction	interpersonal
motivation	& communication	emphasis	morale	skills
Control	utilization of	stability	conflict	training & development
readiness	environment		value of human resource	emphasis

Table 1: Campbell list of Effectiveness Criterion

Pennings and Goodman (1977) presented "a new conceptual framework of organizational effectiveness" including a number of other factors such as constituencies, determinants, and environments of organizational effectiveness.

Miles(1980) proposed an "Ecology Model", in which organizational effectiveness is defined as "the abihty of the organization to minimally satisfy the expectations of its strategic constituencies". Using the ecological perspective, organizational assessment is best conceived of not as a one-shot affair, but as an ongoing process.

Van de Ven and Ferry (1980) advanced another view of organizational effectiveness, highlighting the efforts to design, apply, and improve a framework for conducting continuing assessment within complex organizations, offering a process model for others to adapt and follow. The objective is to establish an incremental process of achieving and maintaining successively higher levels of effectiveness.

Scott (1977), Seashore (1979), and Cameron (1979) have all attempted to bring some integration to the literature. Scott (1977), has suggested that the numerous criteria of effectiveness can be reduced to three basic models: the rational system model, natural system model, and open system model. According to Scott, the emphasis of the rational system model, due to its mechanistic, instrumental bias, is on productivity and efficiency. The natural system approach considers not only the production function, but also the activities required for the unit to maintain it. From this organic view, attention is focused on such properties as morale and cohesion. The open system model emphasized by this model is adaptability and resource acquisition.

Seashore (1979) has also suggested that an effective organization is the one which "optimized the processes for getting, storing, and retrieving, allocating, manipulating, and discarding information."

Research studies on organizational effectiveness have used a number of *indicators* that can be broadly classified as-

- Objective indicators-profit, production rate, etc. proposed by Bidani and Mitra, George (as quoted by Sayeed, 1992).
- Subjective indicators-employee satisfaction, quality of work life, lob satisfaction, organizational climate etc. Proposed by Ghosh & Ghosh, Khandwalla and Jain. (as quoted by Sayeed, 1992).
- Social Indicators-contribution to society, development of infrastructure, etc .suggested by Hage (as quoted by Sayeed, 1992).

Evaluating the effectiveness of organisations requires selecting the appropriate criteria. Unfortunately, researchers have not yet agreed on the most appropriate criteria for making evaluations of effectiveness or even the definition of effectiveness. Several approaches of OE have been described herein. Each has its limitations. Hence the researcher can select the bottom line dependent variable as organization effectiveness only after having identified the criterions of effectiveness in the contemporary environment.

Rationale of the Study

Strategy management deeply emphasises understanding the forces and causes that explain performance differences between organisations, a result of different stocks of knowledge-based resources and capabilities. Further the ever progressive knowledge based economy has scored predominance to optimized usage of intellectual capital in business. Till date, the literature on this concept focused on development of IC as a concept and its relationship with financial performance of organizations. But organizational analysis literature suggest number of alternate approaches other than financial performance by which an organization's systems,

capacity, and functionality are assessed in order to increase its efficiency, performance, and output. Hence for the purpose of this study, the impact of intellectual capital is being gauged on organizational effectiveness. Besides, intellectual capital in itself is an aggregate concept consisting of many such intangibles that cannot be scribed in financial terms, as suggested by the limited literature available. Hence to study this multi contextual impact via its three dimensions, the dependant variable chosen is organizational effectiveness.

Second, despite the shift in both the marketing literature and in marketing practice, towards a more balanced, internal and external approach to marketing and, more specifically, brand management, based brand equity literature is still strongly dominated by these two externally directed perspectives i.e. Financial and customer based. However, in this challenging millennium, to sustain the brand's competitive advantage, organizations should have a balance perspective of brand management that emphasizes both external and internal brand management. To add the service-profit relationship in the literature also supports the very fact (Zeithaml, Berry, and Parasuraman, 1993; Heskett, Jones, Lovemann, Sasser Jr, and Schlesinger, 2001). In particular, Heskett et al. (2001) developed a service-profit chain to illustrate the relationships between employees, customers and profitability. This is all because, employees who represent the brand have an opportunity to enhance brand image and reputation as well as brand performance through their attitude and behaviour especially during the service delivery (Burmann, Zeplin & Riley 2008; King & Grace 2008; Burmann & Zeplin 2005). Despite the growing interest in academic literatures on internal branding practices that aim to align employees' brand related behaviour such as Kimpakorn and Tocquer (2009), King and Grace (2008), Punjaisri and Wilson (2007) and an attempt to conceptualize 'Employee-Based Brand Equity' (EBBE) (King & Grace 2010), there is no neither consensus of what are the expected brand related behaviours from the internal branding perspectives nor is the literature available on the same. Therefore for the purpose of

this study one of the brand related behaviour is conceptualized i.e. brand citizenship behaviour (Burmann and Zeplin, (2005) and finally its impact is studied on organizational effectiveness i.e. the overall bottom line of sustainability of any organization.

Third, In spite of the centrality of the concept of organization effectiveness in the literature of organization theory, it has not yet been well built and defined and there has been little agreement as to the criterion that serve to define organizational effectiveness. Concern with the effectiveness, productivity, efficiency or excellence of organizations is a subject that has motivated the writings of economists, organization theorists, management philosophers, financial analysts, management scientists, consultants, and practitioners. It has served as a unifying theme for over a century of research on the management and design of organizations, yet the area remains fresh due to its dynamic nature. With ever changing market conditions the Business needs a change to sustain itself, hence its criterions of effectiveness also changes. Thus recurrent interest with the effectiveness of organizations has served as a unifying theme for over a century of research, and has highlighted the evolution of competing theories, values, and views about management, organization design, and the definition and measurement of effectiveness.

Last, with heavy commercialization getting impetus in India, the dominance of diverse resource optimization has multiplied. With organizations focusing on adoption of best practices towards becoming Employers of choice and great places to work, clearly highlight their inclination towards assessing organizations as organic structures. In that stance, they are focusing over the importance of inside work platforms, which definitely passes its effect on the market outside. It is for this same reason the investment on internal entities have also graduated. Hence, three of the important internal entities, that is Intellectual Capital, Brand Citizenship Behaviour and organization Effectiveness has been chosen, with a view of its equal macro effects on internal and external environments of an organization.

Objective of the Study

This study aims to gauge the impact of intellectual Capital and brand citizenship behaviour of employees on organization effectiveness in public & private sector organizations in India. The sectors have been kept broad so that the concept could be extensively studied and generalized in Indian context. Besides, the research intends to define the three entities in Indian context, with a view that the results could be helpful for organizations substantially investing in its numerous financially immeasurable entities, for example its employees; their attitudes & behaviours, skills, knowledge, abilities; its relationships with external stakeholders; and finally all its unique processes and systems.

Research Methodology

Problem of the study

1) What is the impact of Intellectual Capital on Organization Effectiveness?
2) What is the impact of Brand Citizenship Behaviour on Organization effectiveness?
3) How does Intellectual Capital effect Organization Effectiveness of Public and Private Sector organizations?
4) How does Brand Citizenship Behaviour effect Organization Effectiveness of Public and Private Sector organizations?
5) What is the relationship between intellectual capital and Brand Citizenship behaviour?

Hypothesis

Hypothised is the impact of components of Intellectual Capital and Brand Citizenship behaviour on the organizational effectiveness of public and private sector organizations in India

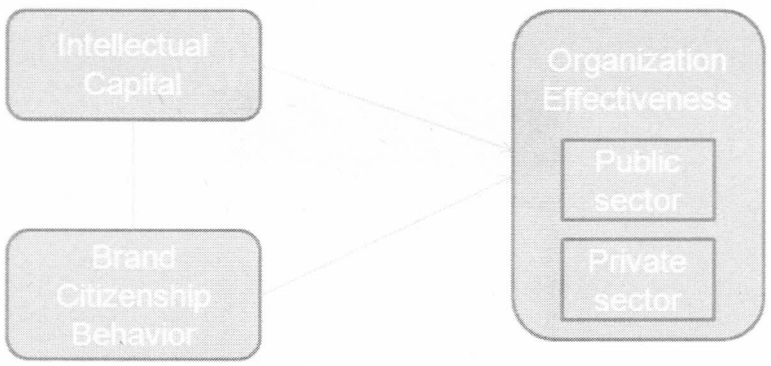


Figure 6: Hypothised Model

H_{01}: There is no significant impact of intellectual Capital on Organization Effectiveness of Public sector organizations

H_{02}: There is no significant impact of Human Capital on Organization Effectiveness of Public sector organizations

H_{03}: There is no significant impact of Structure Capital on Organization Effectiveness of Public sector organizations

H_{04}: There is no significant impact of Relational Capital on Organization Effectiveness of Public sector organizations

H_{05}: There is no significant impact of Brand Citizenship Behaviour on Organization of Public sector organizations Effectiveness

H_{06}: There is no significant impact of helping behaviour of employees on Organization of Public sector organizations Effectiveness

H_{07}: There is no significant impact of Brand consideration of employees on Organization Effectiveness of Public sector organizations

H_{08}: There is no significant impact of Brand Enthusiasm of employees on Organization Effectiveness of Public sector organizations

H_{09}: There is no significant impact of Sportsmanship of employees on Organization Effectiveness of Public sector organizations

H_{010}: There is no significant impact of Brand Endorsement by employees on Organization Effectiveness of Public sector organizations

H_{011}: There is no significant impact of Self Development by employees on Organization Effectiveness of Public sector organizations

H_{012}: There is no significant impact of Brand Advancement by employees on Organization Effectiveness of Public sector organizations

H_{013}: There is no significant impact of intellectual Capital on Organization Effectiveness of Private sector organizations

H_{014}: There is no significant impact of Human Capital on Organization Effectiveness of Private sector organizations

H_{015}: There is no significant impact of Structure Capital on Organization Effectiveness of Private sector organizations

H_{016}: There is no significant impact of Relational Capital on Organization Effectiveness of Private sector organizations

H_{017}: There is no significant impact of Brand Citizenship Behaviour on Organization of Private sector organizations Effectiveness

H_{018}: There is no significant impact of helping behaviour of employees on Organization of Private sector organizations Effectiveness

H_{019}: There is no significant impact of Brand consideration of employees on Organization Effectiveness of Private sector organizations

H_{020}: There is no significant impact of Brand Enthusiasm of employees on Organization Effectiveness of Private sector organizations

H_{021}: There is no significant impact of Sportsmanship of employees on Organization Effectiveness of Private sector organizations

H_{022}: There is no significant impact of Brand Endorsement by employees on Organization Effectiveness of Private sector organizations

H_{023}: There is no significant impact of Self Development by employees on Organization Effectiveness of Private sector organizations

H_{024}: There is no significant impact of Brand Advancement by employees on Organization Effectiveness of Private sector organizations

H_{025}: There is no significant relationship between Intellectual Capital and Brand Citizenship Behaviour in Public sector organizations

H_{026}: There is no significant relationship between Intellectual Capital and Brand Citizenship Behaviour in Private sector organizations

Research Design

It is a 2X2 factorial design exploring the impact of two independent variables, i.e. Intellectual Capital and Brand Citizenship behaviour, in context of Public and private sector on dependent variable i.e. Organization Effectiveness.

	Private Sector	Public Sector
Intellectual Capital	OE_1	OE_2
Brand Citizenship Behaviour	OE_3	OE_4

	Private Sector	Public Sector
Intellectual Capital	BCB_1	BCB_2

Sampling

As per the, Small-Sample Techniques by The NEA Research Bulletin, a population of ten lakhs or more should have a minimum sample size of 384. It should be noted that as the population increases the sample size increases at a diminishing rate and remains relatively constant at slightly more than 380 cases (Krejcie & Morgan, 1970).

In this study the population under study is the public and private sector service organizations of India which collectively employ 44.22 million workforces as per the Second Annual Report to the People on Employment by The Government of India Ministry of Labour and employment 2012. Thus by this estimation, a sample size of 400 has been determined through Purposive Sampling. The sample shall include the managerial employees irrespective of the hierarchy.

Sampling Distribution shall be as following:

Industries Focused	**Public (210)**	**Private(210)**
Manufacturing	35	35
Oil and gas	35	35
Banking	45	45

Health care	35	35
Education	35	35
Power	25	25

Tools

Data shall be collected by administration of a questionnaire consisting of items for measurement of Intellectual Capital, Brand Citizenship Behaviour and Organization Effectiveness. Since there is no standard instrument for gauging the three variables, hence the questionnaire shall be drafted by a combination deductive and inductive approach. For Intellectual capital and Organization Effectiveness a deductive approach based on previous literature shall be adopted while for Brand Citizenship Behaviour, which lack academic literature, an inductive approach shall be adopted. Thus, instruments shall be created for the three variables through principal component analysis. Further, descriptive analysis in combination with ANOVAs shall be employed test the hypothesis. Statistical package for social sciences shall used for data analysis

References

1. Aaker, D. A. (1996). *Building Strong Brands*. New York, NY
2. Keller, K. L. (2001). Building customer-based brand equity. *Marketing Management, 10* (2), 14 – 19
3. Keller, K.L. (1998). *Strategic Brand Management*, Prentice Hall, Upper Saddle River, New Jersey.

4. Kim, H. B., Kim, W.G. and An, J. (2003). The effect of consumer-based brand equity on firms' financial performance. *The Journal of Consumer Marketing* 20 (4/5), 335 – 351
5. Dent, J. K. (1959). Organizational correlates of the goals of business managements. *Personnel Psychology*, *12*(3), 365-393.
6. Shubik, M. (1961). Approaches to the study of decision-making relevant to the firm. *The Journal of Business*, *34*(2), 101-118.
7. Stogdill, R. M. (1965). *Managers, employers [ie employees], organizations: a study of 27 organizations* (No. 125). Bureau of Business Research, Division of Research, College of Commerce and Administration, Ohio State University.
8. Verma, D.P.S and Kamlesh Jain. (1999) "Influence of Leadership Style on Organizational Effectiveness: A Study of Indian Managers." *Abhigyan.* 27-34
9. Zeithaml, V. A., Berry, L.L., Parasuraman, A. 1996. The behavioral consequences of service quality.*Journal of Marketing,* 60 (2), 31 – 46.
10. Storey, J. (2001). Human resource management today: an assessment', in Storey, J. (ed.), *Human Resource Management*: *A Critical Text*, London: Thomson Learning
11. Azoulay, A., & Kapferer, J. N. (2003). Do brand personality scales really measure brand personality?. *The Journal of Brand Management*, 11(2), 143-155.
12. De Chernatony, L. (1999). Brand management through narrowing the gap between brand identity and brand reputation. *Journal of Marketing Management*, 15(1-3), 157-179.
13. Kapferer, J. N. (2012). *The new strategic brand management: Advanced insights and strategic thinking.* Kogan Page., London, UK, p. 99.

14. Burmann, C., Blinda, L., & Nitschke, A. (2003). *Conceptual Foundations of Identity: tsbasierten brand management* . Working Paper No. 1, Institute for Innovative Brand Management University Bremen, Germany

15. Balmer, J. M., & Greyser, S. A. (2002). Managing the multiple identities of the corporation. *California management review*, 44(3), 72-86.

16. Dunn, M., & Davis, S. (2003). *Building brands from the inside. Marketing Management*, 22,32–37

17. Vallaster, C., & De Chernatony, L. (2003). *How much do leaders matter in internal brand building?: An international perspective*. Birmingham Business School.

18. Organ, D. W. (1988). *Organizational citizenship behavior: The good soldier syndrome*. Lexington Books/DC Heath and Com.

19. Podsakoff, P. M., MacKenzie, S. B., Paine, J. B., & Bachrach, D. G. (2000). Organizational citizenship behaviors: A critical review of the theoretical and empirical literature and suggestions for future research. *Journal of Management*, 26(3), 513-563.

20. O'Reilly, C. A., & Chatman, J. (1986). Organizational commitment and psychological attachment: The effects of compliance, identification, and internalization on prosocial behavior. *Journal of Applied Psychology*, 71(3), 492.

21. Kelman, H. C. (1958). Compliance, identification, and internalization: Three processes of attitude change. *The Journal of conflict resolution*, 2(1), 51-60.

22. Adams, J. S. (1965). Inequity in social exchange. *Advances in Experimental Social Psychology*, 2(267-299).

23. Farrell, D., & Rusbult, C. E. (1981). Exchange variables as predictors of job satisfaction, job commitment, and turnover: The impact of rewards, costs,

alternatives, and investments. *Organizational Behavior and Human Performance*, 28(1), 78-95

24. OReilly, C. A., & Chatman, J. A. (1996). Culture as social control: Corporations, cults, and commitment. *Research In Organizational Behavior*, 18, 157-200.
25. Tajfel, H., & Turner, J. C. (1979). An integrative theory of intergroup conflict. *The Social Psychology of Intergroup Relations*, 33, 47.
26. Albert, S., Ashforth, B. E., & Dutton, J. E. (2000). Organizational identity and identification: Charting new waters and building new bridges. *Academy of Management Review*, 25(1), 13-17.
27. Mael, F., & Ashforth, B. E. (1992). Alumni and their alma mater: A partial test of the reformulated model of organizational identification. *Journal of Organizational Behavior*, 13(2), 103-123.
28. Rosenberg, M. (1975). *Conceiving the self.* Malabar, FL: Krieger, p. 7.
29. Maanen, J.V.,& Schein, E. H. (1979). Toward a theory of organizational socialization', *Research in Organizational Behavior*,1, 209–264.
30. Ic
31. Feiwel, G. R. (1975). *The intellectual capital of Michaą Kalecki: A study in economic theory and policy*. University of Tennessee Press (Knoxville)
32. Simchon, J B. (2005). *Reporting of intellectual capital in research intensive SMEs.* Final Dissertation. The University of Inholland
33. Dean, A., & Kretschmer, M. (2003). Can Ideas be Capital? Factors of production in the post-industrial economy: a review and critique. *Academy of Management Review*, 32, 573-594
34. Stewart, T. (1997). *Intellectual Capital: The New Wealth of Organizations.* Doubleday/ Currency: New York

35. Sullivan, P. H. (2000). *Value driven intellectual capital: how to convert intangible corporate assets into market value*. John Wiley & Sons, Inc..

36. Edvinsson, L., Roos, J., Roos, G., & Dragonetti, N. C. (1997). *Intellectual Capital: Navigating in the new business landscape.*

37. Saint-Onge, H. (1996). Tacit knowledge the key to the strategic alignment of intellectual capital. *Strategy & Leadership*, 24(2), 10-16.

38. Subramaniam, M., Youndt M.A. (2005). The Influence of Intellectual Capital on the Types of Innovative Capabilities. *Academy Of Management Journal*, 48(3), 450-463

39. Edvinsson, L. Malone, M.S. (1997). *Intellectual capital: The proven way to establish your company's real value by measuring its hidden brainpower*. London: Judy Piatkus

40. Bontis, N. (1998). Intellectual capital: an exploratory study that develops measures and models. *Management decision*, 36(2), 63-76.

41. Sveiby, K. E. (2001). A knowledge-based theory of the firm to guide in strategy formulation. *Journal of Intellectual Capital*, vol. 2, n. 4, pp

42. IFAC (2007). *The Measurement and Management of Intellectual Capital: An Introduction*. IFAC, New York, NY

43. Chu, P. Y., Lin, Y. L., Hsiung, H. H., & Liu, T. Y. (2006). Intellectual capital: An empirical study of ITRI. *Technological Forecasting and Social Change*, 73(7), 886-902.

44. Seleim, A., Ashour, A., & Bontis, N. (2007). Human capital and organizational performance: a study of Egyptian software companies. *Management Decision*, 45(4), 789-801.

45. Bozzolan, S., Favotto, F., & Ricceri, F. (2003). Italian annual intellectual capital disclosure: an empirical analysis. *Journal of Intellectual Capital*, 4(4), 543-558.

46. Hsu, Y. H., & Fang, W. (2009). Intellectual capital and new product development performance: The mediating role of organizational learning capability. *Technological Forecasting and Social Change*, 76(5), 664-677.

47. Chaminade, C., & Johanson, U. (2003). Can guidelines for intellectual capital management and reporting be considered without addressing cultural differences?. *Journal of intellectual Capital*, 4(4), 528-542.

48. Bontis, N. (1999). Managing organisational knowledge by diagnosing intellectual capital: framing and advancing the state of the field. *International Journal of technology management*, 18(5), 433-462.

49. Chen, J., Zhu, Z., & Xie, H. Y. (2004). Measuring intellectual capital: a new model and empirical study. *Journal of Intellectual capital*, 5(1), 195-212.

50. Nazary, J. A., Iren, M.H., Manassien, A., Gissac,R. (2010). National Intellectual Capital Stokes and Organizational Culture: A Comparison of Lebanon Andiron. *Strategic Intellectual Management in Multinational Organization.*18 (9), 679-682

51. Roos, G., & Roos, J. (1997). Measuring your company's intellectual performance. *Long range planning*, 30(3), 413-426

52. Nonaka, I. (1995). *The Knowledge-Creating Company: How Japanese Companies Create the Dynamics of Innovation: How Japanese Companies Create the Dynamics of Innovation.* Oxford university press.

53. OE

54. Scott, R.W. (1987). *Organisations: rational, natural, and open systems*. New York: Prentice Hall, 2nd Edition

55. Cameron, K. S., & Whetten, D. A. (1981). Perceptions of organizational effectiveness over organizational life cycles. *Administrative Science Quarterly*, 525-544.

56. Taylor, J. C., & Bowers, D. G. (1972). *Survey of organizations: A machine-scored standardized questionnaire instrument.*

57. Revans, R. W. (Ed.). (1972). *Hospitals: Communication, Choice, and Change: The Hospital Internal Communications Project Seen from Within* (Vol. 139). Tavistock Publications.

58. Steers, R. M. (1975). Problems in the measurement of organizational effectiveness. *Administrative Science Quarterly*, 546-558.

59. Yuchtman, E., & Seashore, S. E. (1967). A system resource approach to organizational effectiveness. *American sociological review*, 891-903.

60. Nadler, D. A., & Tushman, M. L. (1980). A model for diagnosing organizational behavior. *Organizational Dynamics*, 9(2), 35-51.

61. Lorsch, J. W., & Morse, J. J. (1974). *Organizations and their members: A contingency approach.* New York: Harper & Row.

62. Campbell, J. P. (1977). *On the nature of organizational effectiveness. New perspectives on organizational effectiveness*, 13-55.

63. Pennings, J. M., & Goodman, P. S. (1977). *Toward a workable framework. New perspectives on organizational effectiveness*, 146-184.

64. Miles, R. H. (1980). *Macro organizational behavior.* Glenview, Ill.: Scott, Foresman.

65. Van de Ven, A. H., & Ferry, D. L. (1980). *Measuring and assessing organizations* (p. 19). New York: Wiley.

66. Cameron, K. (1979, August). Evaluating organizational effectiveness in organized anarchies. *In meeting of the Academy of Management.*

67. Scott, W. R. (1977). *Effectiveness of organizational effectiveness studies. New perspectives on organizational effectiveness.*

68. Goodman, P. S., & Pennings, J. M. (1977). *New perspectives on organizational effectiveness*. San Francisco: Jossey-Bass.

69. Seashore, S. E. (1979, August). Assessing organizational effectiveness with reference to member needs. *In Meetings of the Academy of Management.*

70. Sayeed, O. B. (1992). Organizational Effectiveness: Relationship with Job Satisfaction Facets. *Productivity*. 33 (3), 422-429